

**SIMPLIFIED PROSPECTUS IN SWITZERLAND****1 August 2004: new Guideline by the Swiss Federal Banking Commission re UCITS III Funds**

With effect as from 1 August 2004, the Swiss Investment Fund Ordinance ("IFO") has been partly adapted to the EU Product and Management Directives. Whilst the requirements for a simplified prospectus for Swiss domestic funds are still to be developed by the Swiss Federal Banking Commission ("FBC"), the FBC has communicated the following guidelines concerning the simplified prospectus of a UCITS registered for public distribution in Switzerland:

- UCITS III funds:
    - simplified prospectus needs to be filed with the FBC
    - mandatory contents of simplified prospectus:
      - must be in German, French or Italian language
      - risk disclosures: if the investment policy entails certain risks, such must be explicitly mentioned and be understandable for the investors
      - indication of the following:
        - a) country of domicile of the fund
        - b) paying agent and representative in Switzerland
        - c) where prospectus, simplified prospectus, fund regulations or articles of incorporation, annual and semi-annual reports can be obtained free of charge, at least from the representative in Switzerland
      - the Swiss publication instruments (Swiss Official Gazette of Commerce plus a daily newspaper)
      - the newspaper where the issue and redemption prices or the NAV together with an indication "plus commissions", if any, are published
    - also changes of the simplified prospectus must be filed with the FBC and published in the Swiss publication instruments of the UCITS
  - non-UCITS III funds:
    - no need to file simplified prospectus with the FBC
    - if prepared voluntarily and distributed in Switzerland (e.g. grandfathered UCITS): issue not covered in new Guideline\*
- \*our view: such "simplified prospectus" should be considered a marketing document which has to contain the information pursuant to a) - c) above

For more information feel free to contact any of our investment fund specialists ([www.nastra.ch](http://www.nastra.ch)).